

# MAYOR & COUNCIL AGENDA COVER SHEET

**MEETING DATE:**

April 19, 2004

**CALL TO PODIUM:**

Harold Belton

**RESPONSIBLE STAFF:**

Harold Belton, Director  
Finance and Administration

**AGENDA ITEM:**

(please check one)

	Presentation
	Proclamation/Certificate
	Appointment
	Public Hearing
	Historic District
	Consent Item
	Ordinance
	Resolution
	Policy Discussion
	Work Session Discussion Item
X	Other: Introduction

**PUBLIC HEARING HISTORY:**

(Please complete this section if agenda item is a public hearing)

Introduced	04/19/04
Advertised	04/14/04
Hearing Date	
Record Held Open	
Policy Discussion	

**TITLE:**

Introduction of an Ordinance to Adopt the City Budget for the Fiscal Year July 1, 2004, Through June 30, 2005, and Levying an Ad Valorem Tax on all Assessable Property Within the City of Gaithersburg, Maryland

**SUPPORTING BACKGROUND:**

An ordinance to adopt the Fiscal Year 2004 – 2005 City Budget was advertised in the April 14, 2004, issue of the Gaithersburg Gazette.

This ordinance establishes the City Budget, which provides a complete financial plan, including anticipated revenues and proposed expenditures for the Fiscal Year 2004-2005. The ordinance also institutes the ad valorem tax on all assessable property within the City of Gaithersburg, Maryland. The ad valorem tax has been set at a rate of \$.212 on each \$100 of assessed value of real property and \$.53 on each \$100 of assessed value of Personal Property.

In order to make real property tax bills simpler and easier to understand, the General Assembly, under Chapter 80 of the Acts of 2000, has required that property tax rates on real property be based on a full (100%) cash value assessment replacing the historical 40% of cash value.

The Budget Public Hearing will be held May 3, 2004.

The Mayor will announce the dates for the work sessions, which are open to the public.

**DESIRED OUTCOME:**

Introduce Ordinance for the Budget Public Hearing

## NOTICE OF PUBLIC HEARING

Pursuant to Section 41 of the Charter of the City of Gaithersburg, Maryland, the Mayor and City Council of the City of Gaithersburg will hold a public hearing on:

**MONDAY**  
**May 3, 2004**  
**at 7:30 P.M.**

or as soon thereafter as it can be heard in the Council Chambers at City Hall, 31 South Summit Avenue, Gaithersburg, Maryland, for the purpose of receiving written and oral comments from the public concerning the proposed annual budget for Fiscal Year 2004-2005.

All interested persons, citizen groups, and organizations are encouraged to attend the hearing and submit comments.

Under the proposed budget, the property tax rate for the City of Gaithersburg remains at **\$212 per \$100 of assessed value**. Additionally, the ad valorem tax on tangible personal property subject to taxation by the City shall remain at the rate of **\$0.53 per \$100 of assessed value**. Generally, the proposed budget is summarized as follows:

### **REVENUE**

Local Taxes	\$13,986,900
Licenses and Permits	2,300,153
Intergovernmental Revenue	11,254,545
Service Charges	3,613,505
Fines and Forfeitures	119,000
Miscellaneous Revenues	<u>677,045</u>
Anticipated Revenue	\$31,951,148
Use of Escrow Funds	470,500
Reappropriation	<u>2,167,519</u>
<b>TOTAL</b>	<b>\$34,589,167</b>

### **EXPENDITURES**

General Government	\$6,797,750
Public Safety	6,718,269
Public Works	5,377,397
Parks, Recreation & Culture	6,982,159
Community Services and Development	1,771,235
Miscellaneous	<u>1,751,802</u>

**TOTAL OPERATING EXPENDITURES** \$29,398,612

### **CAPITAL IMPROVEMENTS**

**TOTAL CAPITAL IMPROVEMENTS** \$5,190,555

**TOTAL PROPOSED EXPENDITURES** \$34,589,167

Copies of the proposed budget will be available May 3, 2004, at City Hall, 31 South Summit Avenue, Gaithersburg, Maryland, during regular business hours Monday through Friday, 8:00 a.m. to 5:00 p.m.

David B. Humpton  
City Manager

10093148

(4-14-04)

Ordinance No. \_\_\_\_\_

ORDINANCE ADOPTING THE CITY BUDGET  
FOR THE FISCAL YEAR JULY 1, 2004, THROUGH  
JUNE 30, 2005, AND LEVYING AN AD VALOREM TAX ON  
ALL ASSESSABLE PROPERTY WITHIN THE CITY OF  
GAITHERSBURG, MARYLAND

WHEREAS, the proposed budget for the 2004-05 Fiscal Year was submitted by the City Manager to the Mayor and City Council as required by the City Charter, as amended; and

WHEREAS, the 2004-05 budget provides a complete financial plan, including anticipated revenues and proposed expenditures, for the fiscal year:

NOW, THEREFORE, BE IT ORDAINED by the Mayor and City Council of the City of Gaithersburg, in public meeting assembled, that the budget for the City of Gaithersburg for the Fiscal Year July 1, 2004, through June 30, 2005, be and it hereby is adopted as follows:

ANTICIPATED REVENUE

Local Taxes	\$ 13,986,900	
Licenses & Permits	2,300,153	
Intergovernmental Revenue	11,254,545	
Service Charges	3,613,505	
Fines & Forfeitures	119,000	
Miscellaneous Revenues	<u>677,045</u>	
ANTICIPATED REVENUE		\$31,951,148
Use of Escrow Funds		470,500
Reappropriation		<u>2,167,519</u>
TOTAL ANTICIPATED REVENUE		<u>\$34,589,167</u>

PROPOSED EXPENDITURES

General Government	\$ 6,797,750
Public Safety	6,718,269
Public Works	5,377,397
Parks, Recreation and Culture	6,982,159
Community Services and Development	1,771,235
Miscellaneous	<u>1,751,802</u>
OPERATING TOTAL	\$29,398,612
<u>CAPITAL IMPROVEMENTS</u>	<u>\$ 5,190,555</u>
TOTAL PROPOSED EXPENDITURES	<u>\$34,589,167</u>

AND BE IT FURTHER ORDAINED that all of the sums set forth herein under the heading "PROPOSED EXPENDITURES" be and hereby are appropriated.

AND BE IT FURTHER ORDAINED that there is hereby levied on all of the assessable real property within the City an ad valorem tax at the rate of *Twenty-One and Two/Tenths Cents (\$.212) on each One Hundred Dollars (\$100) of assessed value of said property*, and there is hereby levied an ad valorem tax on the tangible personal property subject to taxation by the City, except for manufacturing equipment, manufacturing inventory and commercial inventory of corporate and unincorporated businesses, at the rate of Fifty-Three Cents (\$.53) on each One Hundred Dollars (\$100) of assessed value of such tangible personal property.

AND BE IT FURTHER ORDAINED that the City hereby adopts the imposition of a full year, one-half year, three-quarter year and one-quarter year tax levies authorized pursuant to Title 10, Sections 10-102, 10-103, 10-104 and 10-105, Tax Property Article, Annotated Code of Maryland, as amended, and authorizes and empowers Montgomery County, Maryland, to collect and remit the same to the City of Gaithersburg, consistent with the imposition and collection of such levies on real property by Montgomery County.

ADOPTED by the City Council this \_\_\_\_ day of June, 2004.

---

DELIVERED to the Mayor of the City of Gaithersburg this \_\_\_\_ day of June, 2004.  
APPROVED/VETOED by the Mayor of the City of Gaithersburg this \_\_\_\_ day of June, 2004.

---

THIS IS TO CERTIFY that the foregoing Ordinance was adopted by the City Council of Gaithersburg, in public meeting assembled, on the \_\_\_\_ day of June, 2004, and the same was approved/vetoed by the Mayor of the City of Gaithersburg on the \_\_\_\_ day of June, 2004.

This Ordinance becomes effective on the 1st day of July, 2004.

\_\_\_\_\_  
David B. Humpton, City Manager